

May 19, 1989

TO: Minerals File

FROM: D. Wayne Hedberg, Permit Lead *DWH*

RE: Field Inspection, Jumbo Mining Company, Drum Mine,  
M/027/007, Millard County, Utah

On May 12, 1989, Wayne Hedberg met with BLM representatives Rex Rowley, Toby Manzanares, and Buzz Rakow in Delta, Utah, for the purpose of jointly inspecting Jumbo Mining Company's Drum mine site properties. We met with Mr. Ed King and Bob Moore, of Jumbo, at the mine site office. Office discussions included the current status of mining activity, property ownership of the Drum Mine and the Alto-Ibex properties, and mutual agency permitting concerns. A brief tour and explanation of the gold processing facilities within the administration building, adjacent to the mine office, followed. Mr. King and Mr. Moore accompanied the agency personnel on a overview inspection of the Drum Mine properties. This was the first onsite visit for Mr. Rowley and Mr. Rakow. The Alto-Ibex properties were not inspected due to the inclement weather at the time of our visit.

Mr. King indicated that Jumbo was now using all of the heap leaches currently permitted by State Health. Heap leach pads 1-5 are being leached on an intermittent basis. Currently, some ore is being extracted from strip pit #2 and is being placed on top of heap leach pad #4 and #5. Mr. King indicated that Jumbo may start performing some surface mining from strip pit #1 soon. Currently, the #1 pit is being mined underground. Overburden and mine waste from pit #2 is being placed back into the pit, or is being stockpiled on the rim of pit #1. This material will be backfilled into pit #1 when underground mining has ceased.

Mr. King, again, requested agency concurrence to leave the waste rock dump slopes and the heap leach outcrops at the angle of repose upon final reclamation. His position is that the run of mine waste rock and ore is too coarse to be reclaimed without supplementing it with excessive volumes of finer plant growth medium. He does not want to regrade to a 3:1 outslope configuration, which would cover and eliminate some undisturbed vegetation that currently exists adjacent to these disturbed areas.

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Mr. King also indicated that Jumbo Mining Company may be filing an Exploration Notice of Intention for the Clara B and the Rattler Claims within the near future. These claims are located adjacent to the Drum Mine property. Mr. King indicated that should exploration prove favorable on these adjacent properties, then he would be interested in adding these properties to the existing permit. I advised Mr. King to submit his application for revision as soon as possible to avoid any unnecessary delays in future permitting.

The existing Drum Mine is located entirely upon BLM managed lands (unpatented Yellow Cat claims). The Alto-Ibex proposal, which will involve a major haul road returning to the Drum Mine, is located predominantly on BLM managed land as well. Jumbo currently holds or leases the unpatented claims for this area as well.

No formal commitments or decisions were made with the operator considering his variance request(s) while on site. The BLM personnel agreed to discuss final reclamation requirements for the mine site internally, and to notify the Division within a few days of their decision. I informed Mr. King and the BLM, that the Division intends to submit a formal response back to the operator by May 19, 1989. Mr. Rowley indicated that they would notify the Division of their decision prior to this date.

I informed the BLM that Jumbo Mining Company was proposing to submit a \$130,000.00 reclamation bond for their operations on the existing Drum Mine site and the proposed Alto-Ibex properties. This bond would have to be jointly agreed upon by both the BLM and the Division. I also indicated to the operator and the BLM, that any further permitting documentation generated by the Division would be copied to Western States Minerals Corporation.

jb  
cc: F. Rex Rowley  
Lowell Braxton  
Minerals Team  
MN2/88-89